

INVOICE GUIDELINES AND ANNUAL CERTIFICATION

Invoices may include as many line items as service providers wish, covering many customers or just one, and covering as long or short a period as needed for recovering discounts on services rendered. No payments will be made for services delivered before the start of the pertinent Funding Year, or the actual service start date indicated on this letter, whichever is later, or for services delivered after the end of the pertinent Funding Year.

NOTE: All service providers submitting invoices to the SLD for payment are required to submit by mail, once each funding year, an FCC Form 473, Service Provider Annual Certification signed by an officer or employee of the service provider who has authority to certify on behalf of the company, to confirm compliance with program rules. This Form can be found on the SLD web site under SLD Forms; service provider forms can be found towards the bottom of the page.

NOTICE ON SERVICE START DATE

There may be some situations where the Actual Service Start Date as reflected on this letter has been changed from what the Applicant indicated on the Form 486. Such changes are made by the SLD to be sure that the service start date is in compliance with program rules. You will know that a change has been made if there is an asterisk next to the Actual Service Start Date. Service providers are reminded that SLD will not pay invoices that show service delivery prior to the Actual Service Start Date indicated on this letter.

NOTICE ON RULES AND FUNDS AVAILABILITY

FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD may undertake to assure that funds are being used in compliance with program rules. If the SLD discovers that funds are not being used in compliance with program rules, Applicants will be subject to enforcement actions and other means of recourse by the SLD and other appropriate enforcement authorities. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

EXPLANATION OF INFORMATION PROVIDED IN THE FORM 486 NOTIFICATION LETTER

On the following pages is a list of FRNs under which you are providing service and for which the Applicant has notified us that it is receiving service. To help you understand this list, the following definitions are provided. Most of these are identical to the definitions that were included in the Form 471 Receipt Acknowledgement and Funding Commitment Decision Letters earlier sent to you.

- * Funding Request Number (FRN): A Funding Request Number is assigned by the SLD to each page completed in Block 5 of the Applicant's Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount requests submitted on a Form 471.
- * Form 471 Application Number: A unique identifier assigned to a Form 471 application by the SLD, from Block 1 of the Form 471.
- * Form 470 Application Number: A unique identifier assigned by the SLD to a Form 470 as listed in Block 5 of the Form 471.
- * Name of 471 Applicant: Name of entity that applied to the SLD, from Item 1 of the Form 471.
- * Address of 471 Applicant: Address of entity that applied to the SLD, from Item 1 of the Form 471. Includes street address and state, city and zip code.
- * Entity Number: A unique identifier assigned by the SLD to the Form 471 Applicant.

- * Name of Contact Person: The name of the contact person from Block 1, of the Form 471.
- * Preferred Mode of Contact: e.g., telephone, fax, E-mail or standard mail.
- * Contact Information: e.g., telephone number, fax number, E-mail address or mailing address based on preferred mode of contact.
- * Name of Form 486 Contact Person: The name of the contact person from Block 1.
- * Address of Form 486 Contact: The address of the contact person from Block 1.
- * City of Form 486 Contact: The City of the contact person from Block 1.
- * State of Form 486 Contact: The State of the contact person from Block 1.
- * ZIP of Form 486 Contact: The Zip code of the contact person from Block 1.
- * FAX of Form 486 Contact: The Fax number of the contact person from Block 1.
- * Telephone of Form 486 Contact: The telephone number of the contact person from Block 1.
- * E-mail of the Form 486 Contact: The E-mail address of the contact person from Block 1.
- * Funding Year: The funding year for which discounts have been requested.
- * Contract Number: The number of the contract between the customer and the service provider. This will be present only if a contract number was provided on Form 471.
- * Services Ordered: The category of service ordered from the service provider, as shown on Form 471, Block 5.
- * Billing Account Number: The account number that you have established with your customer for billing purposes. This will be present only if a Billing Account Number was provided on the Form 471.
- * Actual Service Start Date: The date that the Form 471 Applicant has reported, on the Form 486, that service actually started (or is scheduled to start). This is the earliest date of service for which the SLD will reimburse the service provider for discounted services. If this date is marked with an asterisk it was changed in compliance with program rules from what the Applicant put in the Form 486. This date as shown is controlling and no invoices will be paid for services before this date.
- * Service Start Date Change Explanation (SHOWN ONLY IF RELEVANT): If the Service Start Date is marked with an asterisk, this field will appear to explain why SLD changed the date. One of the following explanations may appear:

AVSCD: The Service Start Date may not be before the Allowable Vendor Selection/Contract Date (AVSCD) from the Form 470 cited for this FRN on the Form 471. If you indicated an earlier SSD on the Form 486, SLD changed the SSD to the AVSCD.

YEAR 4 CIPA DEADLINE: Under FCC rules and pursuant to the requirements of the Children's Internet Protection Act, as codified at 47 U.S.C. Section 2543(h) and (1), (CIPA), for Year 4 (July 1, 2001 to June 30, 2002), if the FCDL is issued on or before October 28, 2001 and service has started on or before that date, a Form 486 citing the FRN for which service started must be sent to SLD and postmarked by October 28, 2001. If you indicated an SSD of October 28, 2001 or earlier, but your Form 486 was postmarked after October 28, 2001, SLD changed the SSD to the Form 486 postmark date.

120-DAY 486 DEADLINE: For Funding Year 4 and all subsequent funding years, Forms 486 must be postmarked within 120 days of the start of services. If you indicated an SSD earlier than 120 before your Form 486 postmark, SLD changed the SSD to the date 120 days before the Form 486 postmark date.

- * **Contract Expiration Date:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.
- * **Total Program Year Pre-Discount Amount:** The total eligible recurring and non-recurring charges under the program for the pertinent Funding Year.
- * **Applicant's Approved Discount Percentage:** This is the discount rate that the SLD approved for this service. The Discount Amount Billed to SLD should never be greater (and sometimes should be less) than the Total (Undiscounted) Amount for Service times the Approved Discount Amount.
- * **Funding Commitment Decision:** This represents the total amount of funding that the SLD is now reserving to reimburse service providers for the discounts for this service through June 30, 2002 as determined by FCC rules. If SLD changed the Service Start Date, that may have triggered a reduction in the funding commitment if there are recurring charges in this ERN and the number of months is reduced by the SSD change from the number of months used to calculate the original funding commitment amount. Such changed amount will be indicated with an asterisk. Whatever amount is listed here, it is important that you and the 471 Applicant both recognize that the SLD should be invoiced and the SLD may direct disbursement of the discounts only on eligible, approved services actually delivered and installed.

FORM 486 NOTIFICATION LETTER FUNDING COMMITMENT SYNOPSIS
(Funding Year 4)

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 596469
Form 471 Application Number: 245858
Form 470 Application Number: 854450000319343
Name of 471 Applicant: SOUTH BALTIMORE LEARNING CENTER
Applicant Street Address: 28 EAST OSTEND ST
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21230
Entity Number: 196460
Name of Contact Person: Jim Fragomeni
Preferred Mode of Contact: E-MAIL
Contact Information: JFRAGOMENI@AOL.COM
Name of Form 486 Contact Person: JIM FRAGOMENI
Address of Form 486 Contact: 28 EAST OSTEND ST
City of Form 486 Contact: BALTIMORE
State Code of Form 486 Contact: MD
Zip of Form 486 Contact: 21230
FAX of Form 486 Contact: 410-727-8316
Telephone of Form 486 Contact: 410-625-4215
E-mail Address of Form 486 Contact: JFRAGOMENI@AOL.COM
Funding Year: 07/01/2001 - 06/30/2002
Contract Number: MTM
Services Ordered: Internal Connections
Billing Account Number: SOU-01
Actual Service Start Date: 07/01/2001
Contract Expiration Date: 06/30/2002
Total Program Year Pre-discount Amount: \$10,800.00
Applicant's Approved Discount Percentage: 90%
Funding Commitment Decision: \$9,720.00

FORM 486 NOTIFICATION LETTER FUNDING COMMITMENT SYNOPSIS
(Funding Year 4)

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 599750
Form 471 Application Number: 246940
Form 470 Application Number: 426890000320929
Name of 471 Applicant: GHCC LITERACY PROGRAM
Applicant Street Address: 3501 N. CHARLES ST
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21218
Entity Number: 200317
Name of Contact Person: Office Manager
Preferred Mode of Contact: E-MAIL
Contact Information: JFRAGOMENI@AOL.COM
Name of Form 486 Contact Person: JIM FRAGOMENI
Address of Form 486 Contact: 3501 N. CHARLES ST
City of Form 486 Contact: BALTIMORE
State Code of Form 486 Contact: MD
Zip of Form 486 Contact: 21218
FAX of Form 486 Contact: 410-261-3506
Telephone of Form 486 Contact: 410-261-3509
E-mail Address of Form 486 Contact: JFRAGOMENI@AOL.COM
Funding Year: 07/01/2001 - 06/30/2002
Contract Number: MTM
Services Ordered: Internal Connections
Billing Account Number: GHCC
Actual Service Start Date: 07/01/2001
Contract Expiration Date: 06/30/2002
Total Program Year Pre-discount Amount: \$7,200.00
Applicant's Approved Discount Percentage: 90%
Funding Commitment Decision: \$6,480.00

FUNDING COMMITMENT REPORT

EXHIBIT

6

tabbles

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 599750
Form 471 Application Number: 246940
Form 470 Application Number: 426890000320929
Name of 471 Applicant: GHCC LITERACY PROGRAM
Applicant Street Address: 3501 NORTH CHARLES STREET
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21218
Entity Number: 200317
Name of Contact Person: Office Manager
Preferred Mode of Contact: EMAIL
Contact Information: JFragomeni@aol.com
Funding Year: 07/01/2001 - 06/30/2002
Funding Status: Funded
Contract Number: MTM
Services Ordered: Internal Connections
Site Identifier: 200317
Billing Account Number: GHCC
Allowable Vendor Selection/Contract Date: 01/01/2001
Contract Award Date: N/A
Earliest Possible Effective Date of Discount: 07/01/2001
Contract Expiration Date: 06/30/2002
Total Estimated Monthly Recurring Charges: \$600.00
Portion of Total Estimated Monthly Recurring Charges that is Ineligible: \$0.00
Eligible Monthly Pre-Discount Amount for Recurring Charges: \$600.00
Number of Months Recurring Service Provided in Program Year: 12
Annual Pre-Discount Amount for Eligible Recurring Services: \$7200.00
Annual Non-Recurring Charges: \$0.00
Portion of Annual Non-Recurring Charges that is Ineligible: \$0.00
Annual Eligible Pre-Discount Amount for Non-Recurring Charges: \$0.00
Total Program Year Pre-Discount Amount: \$7200.00
Applicant's Approved Discount Percentage: 90
Funding Commitment Decision: \$6480.00 - FRN approved as submitted
→ Technology Plan Approval Status: Approved
Wave Number: 004
Applicant Letter Date: 09/04/2001



Universal Service Administrative Company
Schools & Libraries Division

FORM 486 NOTIFICATION LETTER
(Funding Year 2002: 07/01/2002 - 06/30/2003)

November 13, 2002

TRG Networking
Denis Kelley
8422 Bellona Lane
Suite 102
Towson, MD 21204



Re: Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

This letter is to notify you that the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has received and accepted FCC Form(s) 486 (Receipt of Service Confirmation Form) from Billed Entities who filed FCC Form(s) 471 listing your company's Service Provider Identification Number (SPIN). You may begin to submit invoices to the SLD for the services covered by the Form(s) 486. You may submit invoices only after you have provided the service during the Funding Year and billed the applicant.

PURPOSE OF THIS FORM 486 NOTIFICATION LETTER

This "Form 486 Notification Letter" informs you that one or more Form(s) 486 listing your company as a service provider has been received by the SLD. As described in the "Explanation of Information Provided" below, this letter contains several important pieces of information from each such Form 486. In particular, the Form 486 Notification Letter sets forth the date that services included within a funding request began to be delivered to the applicant or are expected to be delivered. (A Funding Request Number(FRN) is the number assigned to an applicant's request for discounts on a set of services identified in a single page on the Form 471 application, Block 5.) This date is the earliest date for which services provided by your company are eligible for reimbursement of discounts from the SLD and the Universal Service Administrative Company(USAC) and for which invoices will be accepted by the SLD for discounts.

NOTICE ON SERVICE START DATE

There may be some situations where the Service Start Date as reflected on this letter has been changed from what the applicant indicated on the Form 486. Such changes are made by the SLD to be sure that the Service Start Date is in compliance with program rules. You will know that a change has been made if there is an asterisk next to the Service Start Date. If the SLD changed the Service Start Date, that may have triggered a reduction in the funding commitment if the change of Service Start Date reduced the number of months for which discounts on recurring services could be provided. Such changed amount will be indicated with an asterisk. Whatever Service Start Date and

funding commitment amount are listed, it is important that you and the 471 applicant both recognize that the SLD should be invoiced and the SLD may direct disbursement of the discounts only on eligible, approved services actually delivered and installed on or after the Service Start Date indicated on this letter.

Any appeal of the change in Service Start Date or funding commitment amount detailed in a Form 486 Notification Letter must be received within 60 days of the date on the Form 486 Notification Letter. Further information regarding filing an appeal with the SLD or the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site <www.sl.universalservice.org>. Therefore, prompt communication with your customer is essential.

NOTICE ON CIPA COMPLIANCE COMPLIANCE FOR FUNDING YEAR 2002 AND FUTURE FUNDING YEARS

Although the applicant's Form 486 has been fully data entered, the SLD will continue to investigate the CIPA compliance status of each of the entities represented on each FRN listed. If the SLD discovers that the reported CIPA compliance status for an entity is not valid, based on what was reported on the applicant's Forms 486 from prior Funding Years, there is a possibility that invoices will be denied for services being delivered to the affected entities.

NOTICE ON INVOICING

INVOICING DEADLINES: After a Form 486 has been properly filed, the SLD must receive an invoice from either the applicant or the service provider in order to make payments for approved discounts on eligible services. Form 472, Billed Entity Applicant Reimbursement (BEAR) Form, is filed by the applicant; Form 474, Service Provider Invoice Form, is filed by the service provider. Invoices must be postmarked no later than 120 calendar days after the last date to receive service or 120 calendar days after the date of this Form 486 Notification Letter, whichever is later. If an invoice is postmarked after the later of those two dates, payment will be denied.

Please note that the SLD encourages service providers to work with their customers to establish whether discounts will appear on bills or whether customers prefer a reimbursement process. The SLD will process either reimbursements based on Form 472 (BEAR) or discounts based on Form 474 (SPIF) for a given FRN. Once established, however, the selected process - SPIFs or BEARs - must be used consistently for the entire Funding Year.

NOTE: The SLD will base the billing mode (reimbursement or discounting) on the first invoice type that it processes for payment. It is therefore imperative for the service provider and the customer to establish together the preferred invoicing mode.

ELECTRONIC FILING OF INVOICES

Service providers may invoice the SLD either by submitting the SLD Service Provider Invoice Form online or by mail or by filing electronically. The SLD strongly encourages electronic invoicing for providers who will repeatedly bill the SLD. Below is a brief description of the process for electronic submissions.

1. Service providers should send, via e-mail, a message to SLDFORM@sl.universalservice.org (please note the "sl." prefix) indicating the e-mail address where they wish to receive electronic notification of funding commitments, receipt of Forms 471 filed, and future electronic versions of this Form 486 Notification Letter. The SLD will accept electronic invoices from multiple employees within a company. The electronic notification of receipt of the invoice file, and other electronic transmissions regarding each specific invoice file will be sent to the e-mail address contained within the filename of each specific electronic invoice file received.
2. Upon receipt of your e-mail indicating a desire to invoice the SLD electronically, the SLD's invoice manager will send to you electronically the information to establish an electronic invoicing relationship.

3. You will be required to obtain Pretty Good Privacy (PGP) software in order to encrypt electronic invoice submissions prior to submission. Once installed, the service provider may use PGP to send and/or receive encrypted files.
4. The service provider will be instructed to create its Invoice Form in a comma delimited format, encrypt it using PGP, and send it as an e-mail attachment to an e-mail address which will be specified in the instruction materials.
5. The attachment will be received by the SLD, automatically decrypted via PGP and saved into a specific directory.
6. The file will then be processed by an in-house application that will check for errors.
7. Files successfully transmitted will be promptly validated and a message will be sent back to the originator stating that the invoice has been received. In the event of transmission or technical errors, an error report will be sent back to the originator with a list of all errors associated with the invoice. Once the errors have been corrected, the invoice should be resubmitted. If you are resubmitting fewer than 15 line items, the resubmitted invoice can be entered online.

MANUAL AND ONLINE FILING OF INVOICES

Service providers who wish to file their invoices manually or online may obtain FCC Form 474 (Service Provider Invoice Form) at the SLD web site at <www.sl.universalservice.org> under SLD Forms (service provider forms can be found towards the bottom of the page). Paper copies of the Form for manual filing can also be obtained by calling the SLD Client Service Bureau at 1-888-203-8100.

REVIEW OF INVOICES FOR COMPLIANCE WITH PROGRAM RULES

Once an invoice is in our system, it is reviewed (electronically and, in some cases, manually) for compliance with program rules. Applicants who submit BEARs or service providers who submit SPIEs may be contacted by our Program Integrity Assurance team to provide information in support of the invoice.

INVOICE GUIDELINES AND ANNUAL CERTIFICATION

Invoices may include as many line items as service providers wish, covering many customers or just one, and covering as long or short a period as needed for recovering discounts on services rendered. No payments will be made for services delivered before the start of the pertinent Funding Year, or the Service Start Date indicated on this letter, whichever is later, or for services delivered after the end of the pertinent Funding Year.

NOTE: All service providers submitting invoices to the SLD for payment are required to submit by mail, once each funding year, an FCC Form 473, Service Provider Annual Certification signed by an officer or employee of the service provider who has authority to certify on behalf of the company, to confirm compliance with program rules. This Form can be found on the SLD web site under SLD Forms; service provider forms can be found towards the bottom of the page.

NOTICE ON RULES AND FUNDS AVAILABILITY

FCC Form 471 applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD may undertake to assure that funds are being used in compliance with program rules. If the SLD discovers that funds are not being used in compliance with program rules, the SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

EXPLANATION OF INFORMATION PROVIDED IN THE FORM 486 NOTIFICATION LETTER

On the following pages is a list of FRNs under which you are providing service and for which the applicant has notified us that it is receiving service or has confirmed with you that it will receive service. To help you understand this list, the following definitions are provided. Most of these are identical to the definitions that were included in the Form 471 Receipt Acknowledgement and Funding Commitment Decision Letters sent to you earlier.

Funding Request Number (FRN): A Funding Request Number is assigned by the SLD to each page completed in Block 5 of the applicant's Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount requests submitted on a Form 471.

Form 471 Application Number: A unique identifier assigned to a Form 471 application by the SLD.

Form 470 Application Number: A unique identifier assigned by the SLD to a Form 470 as listed in Block 5 of the Form 471.

Name of 471 Applicant: Name of entity that applied to the SLD, from Item 1 of the Form 471.

Address of 471 Applicant: Address of entity that applied to the SLD, from Item 1 of the Form 471. Includes street address and city, state and zip code.

Entity Number: A unique identifier assigned by the SLD to the Form 471 Applicant.

Name of Contact Person: The name of the contact person from Block 1, of the Form 471.

Preferred Mode of Contact: e.g., telephone, fax, or e-mail.

Contact Information: e.g., telephone number, fax number, or e-mail address based on preferred mode of contact.

Name of Form 486 Contact Person: The name of the contact person from Block 1.

Address of Form 486 Contact: The address of the contact person from Block 1. Includes street address, city, state and zip code.

Fax of Form 486 Contact: The fax number of the contact person from Block 1.

Telephone of Form 486 Contact: The telephone number of the contact person from Block 1.

E-mail Address of the Form 486 Contact: The e-mail address of the contact person from Block 1.

Funding Year: The funding year for which discounts have been approved. Funding years begin on July 1 and end on the following June 30. Funding years are designated by the calendar year in which they begin.

Contract Number: The number of the contract between the customer and the service provider. This will be present only if a contract number was provided on Form 471.

Services Ordered: The category of service ordered from the service provider, as shown on Form 471, Block 5.

Billing Account Number: The account number that you have established with your customer for billing purposes. This will be present only if a Billing Account Number was provided on the Form 471.

Service Start Date: The date that the Form 471 applicant has reported, on the Form 486,

that service actually started (or is scheduled to start). This is the earliest date of service for which the SLD will reimburse the service provider for discounted services. If this date is marked with an asterisk, it was changed in compliance with program rules from what the applicant put in the Form 486. This date as shown is controlling and no invoices will be paid for services before this date.

Service Start Date Change Explanation (SHOWN ONLY IF RELEVANT): If the Service Start Date is marked with an asterisk, this field will explain why the SLD changed the date. One of the following explanations may appear:

AVSCD: The Service Start Date may not be before the Allowable Vendor Selection/Contract Date (AVSCD) from the Form 470 cited for this ERN on the Form 471. If the applicant indicated an earlier SSD on the Form 486, the SLD changed the SSD to the AVSCD.

120-DAY 486 DEADLINE: Forms 486 must be postmarked no later than 120 days after the start of services or no later than 120 days after the date of the Funding Commitment Decision Letter (FCDL), whichever is later. If the Form 486 is postmarked after the later of those two dates, the SLD changed the SSD to the date 120 days before the Form 486 postmark. That date will become the start date for discounted services.

Contract Expiration Date: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.

Total Program Year Pre-discount Amount: The total eligible recurring and non-recurring charges under the program for the pertinent Funding Year.

Applicant's Approved Discount Percentage: This is the discount rate that the SLD approved for this service. The Discount Amount Billed to the SLD should never be greater (and sometimes should be less) than the Total (Undiscounted) Amount for Service times the Approved Discount Amount.

Funding Commitment Decision: This represents the total amount of funding that the SLD is now reserving to reimburse you for the discounts for this service through the end of the funding year as determined by FCC rules. If the SLD changed the Service Start Date, that may have triggered a reduction in the funding commitment if the change of Service Start Date reduced the number of months for which discounts on recurring services could be provided. Such changed amount will be indicated with an asterisk. Whatever amount is listed here, it is important that you and the 471 applicant both recognize that the SLD should be invoiced and the SLD may direct disbursement of the discounts only on eligible, approved services actually delivered and installed.

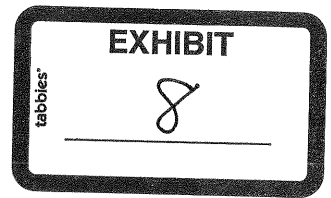
FORM 486 NOTIFICATION LETTER FUNDING COMMITMENT SYNOPSIS
(Funding Year 2002)

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 823699
Form 471 Application Number: 314139
Form 470 Application Number: 683870000403238
Name of 471 Applicant: SOUTH BALTIMORE LEARNING CENTER
Address of 471 Applicant: 28 EAST OSTEND ST
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21230
Entity Number: 196460
Name of Contact Person: Jim Fragomeni
Preferred Mode of Contact: E-MAIL
Contact Information: JFRAGOMENI@SOUTHBALTIMORELEARNNS.ORG
Name of Form 486 Contact Person: JIM FRAGOMENI
Address of Form 486 Contact: 28 EAST OSTEND
City of Form 486 Contact: BALTIMORE
State of Form 486 Contact: MD
Zip Code of Form 486 Contact: 21230
Fax of Form 486 Contact: 410-727-8316
Telephone of Form 486 Contact: 410-625-4215
E-mail Address of Form 486 Contact: JFRAGOMENI@SOUTHBALTIMORELEARNNS.ORG
Funding Year: 07/01/2002 - 06/30/2003
Contract Number: MTM
Services Ordered: Internal Connections
Billing Account Number: SOU-01
Service Start Date: 07/01/2002
Contract Expiration Date: 06/30/2003
Total Program Year Pre-discount Amount: \$22,239.97
Applicant's Approved Discount Percentage: 90%
Funding Commitment Decision: \$20,015.97



Universal Service Administrative Company



To: Mr. George McDonald, VP – Schools and Libraries Division
From: Internal Audit Division
Date: June 23, 2003
Re: Schools and Libraries Beneficiary Audit Report – GHCC Literacy Program
(Audit No. SL2003BE009)

Introduction

The Internal Audit Division of the Universal Service Administrative Company performed an audit of the Schools and Libraries Support Mechanism application of the GHCC Literacy Program located in Baltimore, MD (GHCC), Billed Entity Number 200317 for the Funding Year 2000. Chris Lenhardt, Staff Auditor, conducted the audit on February 26, 2003, with fieldwork completed on April 10, 2003.

Purpose and Scope

These procedures were performed solely for the purpose of determining whether GHCC is complying with certain Schools and Libraries Support Mechanism rules and regulations.

GHCC received the following commitments and funding for the audit period:

	<u>Amount Committed</u>	<u>Amount Disbursed</u>	<u>Service Type</u>
	\$ 5,555.70	\$ 2,643.48	Internet Access
	<u>10,234.32</u>	<u>8,051.93</u>	Internal Connections
TOTALS:	\$15,790.02	\$10,695.41	

The totals represent one application with three Funding Request Numbers (FRNs). We selected 471 #193903, and sampled invoices for FRNs 415717, 415862, and 415934 to perform the procedures enumerated below with respect to the Funding Year 2000 application submitted by GHCC.

Conclusion

Based on the results of our review and test work, the Internal Audit Division has concluded that GHCC is not compliant with the Schools and Libraries Support Mechanism program requirements for the funding year reviewed. A summary of our audit procedures, findings, and responses to the findings are included below.

Audit Procedures and Findings

A. General Procedures

We obtained and reviewed the following documents:

1. Form 470 (Description of Services Requested and Certification Form)
2. Form 471 (Services Ordered and Certification Form)
3. Funding Commitment Decision Letter (FCDL)
4. Program Integrity Assurance (PIA) review notes related to application

B. Understanding the Business

We met with an Advisory Board Member of GHCC to gain a detailed understanding of the processes used by GHCC to monitor and record its participation in the Schools and Libraries Support Mechanism. We discussed the results of any communications with the Schools and Libraries Division (SLD) staff regarding the application process and any differences between the application(s) submitted and approved. This discussion included the following: the process for creating and validating the technology plan; completing the application forms; the application structure; the controls over the expenditure of the approved E-rate funds; and the procedures established to monitor claims submitted to the SLD via Billed Entity Applicant Reimbursement (BEAR) Form 472 and/or Service Provider Invoice (SPI) Form 474. We found that there are established procedures to sufficiently address program requirements. No exceptions noted.

C. Technology Plan

We obtained and reviewed the Funding Year 2000 Technology Plan for adequacy. We verified that it establishes clear goals and strategies (including professional development) for using information technology to improve education. We could not verify that the technology plan was certified by the Maryland State Department of Education, Instructional Technology.

Applicant Response:

The GHCC Grant Manager forwarded the Technology Plan to the Director of Institutional Technology for the Maryland Department of Education. GHCC did not receive any responses from the Maryland Department of Education and assumed the plan was approved. GHCC did not receive an approval for their 2000 Technology Plan.

SLD Response:

Programmatic Action

In the Technology Planning Frequently Asked Questions published on the web site SLD, it states:

“To receive services, the school or library must file a FCC Form 486, and by the time

of that filing the Technology plan must be approved. The approving entity is required to provide the applicant with a Certification of Technology Plan Approval and Form 486 will require certification that the approval has been obtained.”

The instructions to Form 486 indicates that applicants must “certify that the technology plans covering the services listed above for all the eligible entities who are recipients of services covered under this Form 486 have been approved by an authorized organization(s) that has been certified by the SLD in compliance with the rules applicable to this program.”

The Form 486 includes the following certification: “I certify that the technology plan(s) for the services received as indicated on this Form 486 have been approved as necessary.”

SLD will emphasize in program participant trainings that Technology Plan approval letters must be received before the submission of Form 486 and that such letters must be available upon SLD request.

Applicant Action

In certain circumstances, SLD is required to seek recovery for an issue over which the service provider had no knowledge or control. In such cases, it may be appropriate to seek recovery from the applicant. As the vendor has no accountability for the technology plan, this may be such a case. Recoveries from the applicant must be approved by the FCC on a case-by-case basis. Accordingly, SLD will seek guidance from the FCC regarding the recovery for this finding.

The amount of the required recovery is as follows:

<u>FRN</u>	<u>Amount Approved</u>	<u>Amount to be recovered</u>
415717	\$5,555.70	\$2,643.48
415862	\$1,594.32	\$1,571.93
415934	\$8,640.00	\$6,480.00

D. Competitive Bid Process

We obtained an understanding of GHCC’s competitive bidding (service provider selection) process to determine its adequacy and whether a process has been established to select the most cost effective service provider. No exceptions noted.

E. Supported Payments

We compared the service provider bills sent to the GHCC Literacy Program with the SPI Form 472 or BEAR Form 474 and performed the following actions:

1. Reviewed the SPI and BEAR forms for accuracy and completeness. No exceptions noted.

-
2. Examined the BEAR forms and verified for the service provider's authorization. No exceptions noted.
 3. Verified that the equipment and services supporting the amounts claimed on the BEAR and SPI forms were consistent with the service provider bills sent to the GHCC, the terms and specification of the vendor contracts, and the Item 21 attachment to Form 471. No exceptions noted.
 4. Traced the SPI and BEAR forms to the corresponding service provider invoices. We recalculated the discounted amount reflected on the SPI and BEAR forms using the approved discount percentage noted on the FCDL. No exceptions noted.
 5. Verified that the total amount disbursed via the BEAR and SPI forms matched the disbursement data maintained by SLD and that the amounts did not exceed the total amount committed per the FCDL. No exceptions noted.
 6. Examined GHCC's disbursement records to verify that it paid its non-discounted portion. No exceptions noted.

F. Site Visits

The audit team visited GHCC and performed the following actions:

1. Physically verified that the equipment funded by the program exists at the locations as noted on the application. No exceptions noted.
2. Observed the equipment used to ensure that it is used for educational purposes in accordance with the program guidelines. No exceptions noted.
3. Verified that the equipment purchased with the E-rate funds were subjected to the same physical and internal controls that are required for the safeguarding of the applicant's other assets. No exceptions noted.

This report is intended solely for the use of USAC and the FCC and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of those procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

cc: Cheryl Parrino, USAC Chief Executive Officer
Scott Barash, USAC Vice President and General Counsel

TRANSMISSION VERIFICATION REPORT



TIME : 02/18/2005 16:40
NAME : STAPLES
FAX : 4105762191
TEL : 4105762194
SER.# : BROCCJ218198

DATE, TIME	02/18 16:16
FAX NO./NAME	12024180187
DURATION	00:23:27
PAGE(S)	27
RESULT	OK
CHECK READABILITY OF TRANSMITTED PAGE(S)	08,17,21
MODE	FINE

TRANSMISSION VERIFICATION REPORT

TIME : 02/18/05 17:23
NAME :
FAX :
TEL :

DATE, TIME : 02/18 17:22
FAX NO. / NAME : 12024180187
DURATION : 00:02:21
PAGE(S) : 24
RESULT : OK
MODE : STANDARD



LEARNING CENTER
28 East Gate Rd
Baltimore, MD 21201
410.625-4210
Fax: 410.721-0011
www.southbaltimorelearns.org

FAX COVER SHEET

Date: 2/18/05
To: Sending in two BATCHES
Company: FCC
Re: _____
Number of pages including cover sheet: 27
Fax #: 1-202-418-0187
From: _____

Continued

Message: _____
Contact: Ms. Sonia Socha
SSocha@SouthBaltimoreLearns.org

Our Mission:

The mission of the South Baltimore Learning Center (SBLC) is to improve the self-esteem and literacy of educationally disadvantaged adults. SBLC is a community-based nonprofit organization providing functional literacy and life skills training, in addition to career preparation services to residents in the Baltimore area.



SOUTH BALTIMORE
LEARNING CENTER
28 East Ostend Street
Baltimore, MD 21230
410 625-4215
Fax: 410 727-8316
www.southbaltimorelearns.org

FAX COVER SHEET

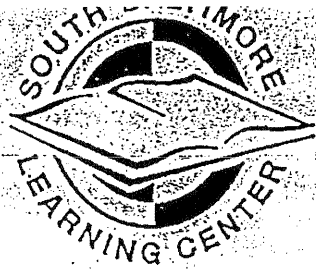
Date: 2/18/05
To: Sending in two BATCHES
Company: FCC
Re: _____
Number of pages including cover sheet: 27
Fax #: 1-202-418-0187 13 15
From: _____

continued

Message: _____
Contact: Ms Sonia Socha
SSocha@Southbaltimorelearns.org
Phone No. - 410-625-4215

Our Mission:

The mission of the South Baltimore Learning Center (SBLC) is to improve the self-sufficiency of educationally disadvantaged adults. SBLC is a community based nonprofit organization providing functional literacy and life skills training, in addition to career preparation services to residents in the Baltimore area.



LEARNING CENTER
28 East Ostend Street
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410 625-4215
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FAX COVER SHEET

Date: 2/18/05

To: _____

Company: FCC

Re: _____

Number of pages including cover sheet: 27

Fax #: 1-202-418-0187

From: _____

Message: _____

Contact: Ms Sonia Socha

SSocha@Southbaltimorelearns.org

Phone No. - 410-625-4215

Our Mission:

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February 17, 2005

Federal Communications Commission
Office of the Secretary
445 - 12th Street, SW
Washington, DC 20554

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Sonia Socha

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Re: CC Docket No. 02-6

Request For Review/Request For Waiver
South Baltimore Learning Center: 196460
Commitment Adjustment
Funding Year 2001-2002;
Form 471 Application Numbers: 245858

Ladies and Gentlemen:

This letter of appeal/waiver request is a *Request For Review* by the South Baltimore Learning Center (the "SBLC") of the Administrator's Decision on Appeal, dated December 20, 2004 and attached hereto as Exhibit A, of the Schools and Libraries Division (the "SLD") of the Universal Service Administrative Company ("USAC") with respect to the original decision of the SLD to "rescind in full" the funding requests listed on Exhibit B hereto because the SBLC did not have "an approved technology plan" which is required by the rules of the SLD Universal Service Support Mechanism (the "E-rate Program"). This letter also is a *Request for Waiver* of the E-rate Program requirement that the SBLC have an approved technology plan in place and approved prior to the submission of the Form 486 or the date the services begin in order to receive discounts on service.

The FCC should waive the requirement of an approved technology plan and reverse the SLD's Decisions on Appeal with respect to the above referenced funding requests because: (1) SBLC's failure to have a pre-approved technology plan could not be avoided even with careful planning; (2) to do otherwise would result in substantial hardship and inequity to the SBLC; (3) it is in the public interest; (4) the SBLC substantially complied with the regulations of the E-rate Program and (5) the SBLC is taking all possible steps to remedy its prior misunderstanding. Of particular note, as discussed in Section 5 below, the SBLC has technology plans in place for all funding years (2000, 2001, 2002, 2003, 2004, 2005) which were retroactively approved and the SBLC is submitting with this letter supporting documentation relating to those approved plans.

USAC's website indicates that the FCC may grant a waiver of the E-rate Program Rules where the failure to comply with the rule was the result of "circumstances that could not be avoided even with careful planning." Furthermore, as indicated in the Order of the FCC, released September 30, 1999, in the Matter of Request for Review by the Department of Education of the State of Tennessee:

the Commission's rules may be waived for good cause shown . . . The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. Waiver is, therefore, appropriate if special circumstances warrant a deviation from the general rule, and such deviation would better serve the public interest than strict adherence to the general rule."

1. SBLC'S FAILURE TO HAVE A PRE-APPROVED TECHNOLOGY PLAN COULD NOT BE AVOIDED EVEN WITH CAREFUL PLANNING.

The SBLC attempted to fully comply, and believed that it had fully complied, with the regulations of the E-rate Program. First, at all times from spring 2000 through the present (the time frame for funding requests at issue), the SBLC had a technology plan, a copy of which is attached hereto as Exhibit C (the "Technology Plan"), which was prepared and complied with by the SBLC in advance of the SBLC receiving any services which were reimbursed under the E-rate Program.

In 2000 and subsequent years, the only established process available to the SBLC to seek approval of a technology plan was submitting the plan to the Maryland State Department of Education (the "MSDE"). As instructed, the SBLC submitted the Technology Plan to the MSDE for approval prior to requesting finding or receiving any services for which the SBLC sought reimbursement. Notwithstanding our attempts, the SBLC received no clear direction from MSDE on receiving approval of our Technology Plan. The SBLC provided its technology plan to its MSDE AEL Program Manager, Michelle Frazier, who then submitted it to the MSDE's Telecommunications Office (the office responsible for the E-rate program and approval in Maryland) for review and approval. However, the MSDE staff member who had received our Technology Plan retired and, evidently, no one at the MSDE took over the review or approval of our Technology Plan. No communication was received from MSDE after the plan was submitted. The lack of response from MSDE was not interpreted as an "approved" plan by SBLC; rather, the progression of funding/re-imbursements from USAC was interpreted by SBLC as all E-rate Program requirements having been complied with, including the technology plan.

Greg Talley, Telecommunications Coordinator for the Office of the State Superintendent of the MSDE, has since told SBLC that the process which the MSDE originally set up for approval of technology plans for public schools in Maryland did not take into account community-based organizations such as the SBLC. Mr. Talley also stated that SBLC did follow the only vehicle available, at the time, for approval of technology plans. There were about six organizations that did not fit into the three-prong technology plan approval process set up by MSDE and, therefore, the technology plans for these entities, including the SBLC, were never approved by the MSDE. Furthermore, at the time our plan was submitted to the MSDE, it was overwhelmed with hundreds of

plans from all over the State of Maryland.

Furthermore, the SBLC did not receive any technical support from MSDE during the first four years of the E-rate Program and USAC's website for the program provided little guidance as to compliance during those years. In the meantime, E-rate reimbursements and funding authorizations began to arrive, leaving SBLC to believe all was in order with the Technology Plan. Also, during each year of the program since 2000, SBLC was contacted by the compliances division of USAC in New Jersey to review the requested products and services for eligibility and pricing listed on our 471 applications. Although the compliance person requested written verification relating to certain aspects of the funding request, never once was there a question about the technology plan. It was not until February 25, 2003, the day of the auditor visit, that the SBLC became aware that it needed a certified approval letter along with the Technology Plan. Jim Fragomeni, SBLC Program Manager, had provided the auditor with a copy of the Technology Plan during that visit.

Mr. Talley has informed the SBLC through discussions with Sonia Socha, Executive Director, he believes that SBLC should not be penalized for not having the official approval in advance of submitting our Forms 486. It was due to MSDE's approval process system (or lack thereof), which did not include an avenue for the SBLC to have its Technology Plans approved, that caused the SBLC to be in this situation. Mr. Talley has also acknowledged that the SBLC acted in accordance with its Technology Plan. He also has reviewed this document and has said he is willing to speak to a representative on our behalf.

The SBLC carefully planned to comply with the E-rate Program. However, the SBLC did not know and could not have known that the person responsible for approval of our Technology Plan had retired (with no one taking over her responsibilities), that the MSDE failed to set up a process for review of technology plans for organizations like the SBLC or that the MSDE was simply overloaded. Further, despite seeking guidance, the SBLC received none. Accordingly, *despite careful planning on the part of the SBLC, our current circumstance (lack of an approved technology plan) could not have been avoided.*

2. FAILURE TO WAIVE THE PRE-APPROVED TECHNOLOGY PLAN REQUIREMENT WILL RESULT IN SUBSTANTIAL HARDSHIP AND INEQUITY TO THE SBLC

Substantial hardship and inequity would result in requiring the SBLC to refund the amounts paid pursuant to the above funding requests. First, as discussed above, the failure to have an approved technology plan was not an attempt to circumvent the E-rate Program rules but rather due to a series of events outside of the control of the SBLC. As mentioned above, at all times, the SBLC believed that the Technology Plan had been approved and that no further approval was required.

Second, as set forth below, the SBLC substantially complied with the provisions of the E-rate Program. Third, until SBLC's receipt in Spring 2003 of the results of the audit completed by the SLD of the SBLC's participation in the E-rate Program (the "Audit") (relating to which

representatives of the SBLC worked with representatives of the SLD to understand and verify the findings of the Audit through the remainder of 2003), no representative of the MSDE, the SLD, USAC or the Federal Communications Commission notified, orally or in writing, any representative of the SBLC that the Technology Plan was not approved or that the SBLC needed to obtain newly approved technology plans in succeeding years. Rather, in each Funding Year, the SBLC received a funding commitment report, a copy of each of which is attached hereto collectively as Exhibit D, which approved the above referenced funding requests. In reliance on the Commitment Report, the SBLC contracted with each service provider for the services and the services were received.

Finally, to now, many years after the SBLC received authorization and after the SBLC has received the services, attempt to rescind such authorization and recoup such funds is simply unfair to the SBLC. It is too late for the SBLC to forego receiving the services and incurring the costs and it is too late for the SBLC to take any action to mitigate its damages. Therefore, the SBLC would be required to pay in excess of \$67,000 (which represents more than 8% of the SBLC's operating budget).

3. DEVIATION FROM THE E-RATE PROGRAM RULE WILL SERVE THE PUBLIC INTEREST.

The SBLC is a small, non-profit educational facility, providing literacy and educational services and serving many hundreds of low income and educationally disadvantaged adults in the Baltimore metropolitan area. The funding provided by the E-rate Program is needed in order to maintain the SBLC's ability to provide these adults with the most modern and up-to-date computer training facilities possible and it would be devastating to the SBLC to have to repay the above funding requests. Having to repay the funds would substantially diminish the ability of the SBLC to provide its services, especially in light of the fact that it would need to pay for services which it may have forgone and have to pay for many years of services in a short time frame. Given the fact that the SBLC attempted to comply, carefully planned and now would endure substantial hardship, the public interest is served in assisting the SBLC, not punishing it.

4. SUBSTANTIAL COMPLIANCE WITH E-RATE PROGRAM.

The SBLC substantially complied with the regulations of the E-rate Program. First, as mentioned above, at all times from spring 2000 through the present, the SBLC had the Technology Plan, which was prepared in advance of the SBLC receiving any services which were reimbursed under the E-rate Program. Second, the SBLC submitted the Technology Plan to the Maryland State Department of Education for approval prior to receiving any services for which the SBLC sought reimbursement. Third, although the SBLC had not received confirmation of the approval of the Technology Plan, approvals of disbursements, reasonably led the SBLC to believe that the Technology Plan was approved. Fourth, all services received by the SBLC, for which reimbursement was sought by the SBLC or a service provider, in all funding years were received in accordance with and pursuant to the Technology Plan and, as discussed in Section 5, the SBLC's approved technology plans. Finally, in all other respects, the SBLC complied with the requirements of the E-rate Program, including filing the appropriate funding requests and other

documentation and cooperating with its administrators.

5. APPROVED TECHNOLOGY PLANS FOR ALL FUNDING YEARS.

The SBLC has taken all possible steps to remedy its prior oversight. The SBLC coordinated with the MSDE and Sara McPherson, Associate Director Center for Technology in Education, Johns Hopkins University to get technology plans approved for all years. Ms. McPherson, the consultant hired by the MSDE to fill the void in the technology plan approval process for community-based organizations, is now the appropriate person to handle approval of technology plans for the SBLC.

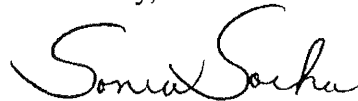
As indicated in the letters attached collectively hereto as Exhibit E, Ms. McPherson has retroactively approved the SBLC's technology plans for fiscal years 2000-2002 and 2003 to 2005. *Accordingly, for all times in which the SBLC received services which are the subject of this request for review/request for waiver, the SBLC has an approved technology plan.* These approved technology plans are substantially the same as the Technology Plan submitted to the MSDE. There was no diversion from the Technology Plan—the funding matched the Technology Plan as developed, submitted and finally approved.

Furthermore, the SBLC is willing to work with the FCC, the SLD and the MSDE to take such further steps or actions as it deems necessary to remedy this situation.

We note that simultaneously with the filing of this request for review/request for waiver, the SBLC is submitting a request for review/request for waiver with respect to three other Administrator's Decisions on Appeal, each dated December 20, 2004, of the SLD with respect to the original decisions of the SLD to "rescind in full" the funding requests for other funding years between 2000 and 2003 because the SBLC did not have "an approved technology plan."

Thank you for your consideration of the foregoing. If you need any additional information, I, Sonia Socha, Executive Director of the SBLC, am the person with whom you may discuss this request for review/request for waiver. Please do not hesitate to give me a call at 410-625-4215, e-mail me at ssocha@southbaltimorelearns.org or contact me by fax or mail at the number or address on the first page of this letter.

Sincerely,

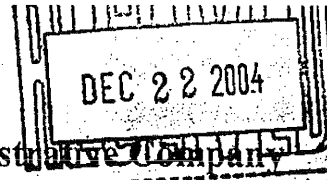


Sonia Socha
Executive Director
South Baltimore Learning Center

Exhibit A



Universal Service Administrative Company
Schools & Libraries Division



Administrator's Decision on Appeal - Funding Year 2001-2002

December 20, 2004

Sonia Socha
South Baltimore Learning Center
28 East Ostend Street
Baltimore, MD 21230

Re: Billed Entity Number: 196460
471 Application Number: 245858
Funding Request Number(s): 595933, 596104, 596469
Your Correspondence Dated: July 23, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Funding Year 2001 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 595933, 596104, 596469

Decision on Appeal: **Denied in full**

Explanation:

- On appeal, you seek reversal of the SLD's decision with respect to the funding requests and assert that South Baltimore Learning Center (SBLC) substantially complied with the regulations of the E-rate program; hence, it is an injustice in requiring the SBLC to refund the amounts already disbursed. You further affirm that SBLC had a technology plan from spring 2000 to the present; the technology plan was submitted for approval to the Maryland State Department of Education (MSDE). The MSDE never communicated any decision on the plan nor followed up with SBLC due to change in personnel; a lack of response from MSDE was interpreted as an approved plan by SBLC.
- Upon review of the initial USAC Internal Audit Division Report that was forwarded to the SLD, regarding SBLC, it was determined that SBLC was unable to provide evidence of an approved technology plan as required by the program. Additionally, you affirmed, in a phone conversation, that SBLC never received a technology plan approval letter. In accordance with the rules of SLD's Support

Mechanism, a technology plan must be in place and approved prior to the submission of the Form 486 or the date the services begin in order to receive discounts on services other than basic local and long distance telephone service. Since the referenced FRNs are not a request for basic local or long distance service an approved technology plan was required. Accordingly, the SLD denies the appeal and the funding request will be rescinded in full.

- Your Form 471 requested funding for products and/or services other than basic local and long distance telephone service. FCC rules require applicants to certify that the entities receiving products and/or services other than basic telephone service are covered by an individual and/or higher-level technology plan that has been, or is in the process of being approved. 47 C.F.R. § 54.504(b)(2)(vii); *See* Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 Block 6, item 26, 27 (*FCC Form 471*).

On your Form 471, you certified that the recipients of products and/or service were covered by an individual and/or higher-level technology plan and that the technology plan had been approved or was in the process of being approved. During the audit of your school, the auditors requested that you provide a copy of your approved technology plan. You failed to provide a copy of your technology plan. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the Federal Communications Commission (FCC). For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

EXHIBIT B

1. Funding Request Number: 595933
SPIN 14300433
Service Provider: Verizon Network Integration Corp
Billing Account Number: 0.0.0.1-565315
Amount: \$ 8,186.40
2. Funding Request Number: 596104
SPIN: 143005588
Service Provider: CDW Computer Centers, Inc.
Billing Account Number: 3953857
Amount: \$ 841.50
3. Funding Request Number: 596469
SPIN: 143011962
Service Provider: TRG Networking
Billing Account Number: SOU-01
Amount: \$ 4,438.13

South Baltimore Learning Center

Community Technology Program Plan

1. Organization Background
2. Project Overview
3. Program Description
4. Management Experience
5. Implementation Timeline
6. Conclusion
7. Project Budget

Prepared by: Jim Fragomeni
Program Manager

1. ORGANIZATION BACKGROUND

The South Baltimore Learning Center (S.B.L.C.) is a private non-profit 501(c)(3) community based adult literacy, General Education Development (GED) preparation, and employment development program which has served the adult residents of its low income, urban community since 1990. In that time, S.B.L.C. has worked with almost 3,000 adult students in their quest to raise their basic academic skill level, acquire their high school degree, and improve their employment potential. S.B.L.C. enrolls over 400 adult learners annually into small group classes and individual, volunteer tutoring.

On average, learners stay in the program for one and a half years to improve their skill level before moving on with their educational goals. Currently, S.B.L.C. employs 8 full time program and administrative staff, as well as 6 part time instructional staff. The projected annual operating budget for FY 2002 will be approximately \$400,000.

- The predominant age range of students at S.B.L.C. is 28-45 years.
- 2/3 of annual enrollees are females.
- Minorities account for almost 60% of annual enrollment.
- Almost half of enrolled learners are employed at some level.
- More than 75% of enrollees earn less than \$15,000 annually.
- Less than 50% of enrollees receive public assistance benefits.
- Most enrolled adults dropped out of formal education after the 8th grade.
- Most adults test into the program at a 5th to 6th grade reading and math level.
- The public high school which serves the South Baltimore community maintains an average annual drop out rate of 65% to 70%.

2. PROJECT OVERVIEW

The principal goal of the proposed project is to dramatically reduce the prevalence of the "digital divide" in the low-income, urban neighborhood in which the South Baltimore Learning Center is located. Presently, there exists no community technology resource that can be accessed by residents of this low-income neighborhood. Indeed, the only such infusion of technology in proximity to South Baltimore lies in the downtown business district one mile to the north and is available only at substantial cost. Moreover, due to the decline in the availability of manufacturing and industrial jobs once located within walking distance of this neighborhood, residents are in great need of a community resource to prepare them for an economy which has already changed and left them behind.

Overwhelmingly, the message of need from this community on the poor side of the digital divide is for a new set of skills that can be marketed in the service and information based economy. This need is understood by S.B.L.C. as a result of its close interaction with adults and their families in this community over the last 10 years in the context of our traditional adult literacy and GED instructional programs. As low skill, high wage union jobs have disappeared by the thousands from the South Baltimore community and the region generally over the past ten years, community members have needed an affordable local resource to retrain themselves for a transformed economy.

While the need has existed for years, no such resource to answer that need has ever been established in this community or near it. The establishment of such a resource in this community would offer residents a viable passage to a better economic life for themselves and their families. It is conservatively estimated that a minimum of 500 persons annually would be served by the community technology center. This estimate is based on S.B.L.C.'s current annual program enrollment of approximately 400 persons.

The South Baltimore Learning Center currently has an excellent opportunity to fulfill this community need. Since receiving the building that has housed S.B.L.C. since 1990 as a donation from Nations Bank in 1999, S.B.L.C. has completed a 1.75 million dollar capital campaign to renovate the 100 year old former police station into a state of the art adult learning center for the South Baltimore community. This renovation provides an ideal opportunity to develop a first rate community technology center to complement the Learning Center's current programs, and to add technology training programs to S.B.L.C.'s existing adult education and employment development programs. These plans are already underway and have been incorporated into the renovation plan. S.B.L.C. is now seeking technology funding to fully outfit the technological infrastructure planned for the renovated building and the programs that will be housed within.

Funding is sought to meet all of the project's anticipated technology needs including computer hardware, software, local area network, and peripheral hardware. S.B.L.C. will use its technological resources to accomplish the two principle objectives of its planned technology program.

Objective #1: To provide a community technology resource which will allow families in the community access to and training in computer technology and the Internet and to develop technology based instructional programs to serve the learning needs of community residents and their families.

Objective #2: To deliver computer based learning to the 500+ adult learners annually enrolled in Adult Basic Education (ABE) and General Education Development (GED) preparation classes and to more fully integrate computer based learning into the existing adult education program at all instructional levels (pre-literacy through secondary education).

The total cost to realize the project goal of bridging the digital divide in South Baltimore is \$110,000.00.

3. TECHNOLOGY PROGRAM DESCRIPTION

In its community technology program, S.B.L.C. will deliver training targeted to respond to technology based learning needs in the community.

Technology based training will include:

- Adult classes in Windows based computing and office productivity software to increase employment potential for community residents and enrolled students.
- Career development workshops using software and web-based content to aid adults in developing career paths and resumes, and in defining employment potential.
- Adult classes to promote understanding and use of the Internet/ World Wide Web.
- Production of individual writing assignments using word processing software.
- Creation of household budgets using spreadsheet software to track home spending.
- Development of an online research project using web browser and search engine.

This training will be offered in the form of small group classes taught by qualified, paid instructors. The small group general education and literacy classes that S.B.L.C. currently offers will provide the model for funding, structuring, and managing these skill based computing classes.

S.B.L.C. will also implement measures to more completely integrate technology based learning into S.B.L.C.'s existing Adult Basic Education (ABE) and General Education Development (GED) instructional program. To achieve this objective, S.B.L.C. has developed a model to integrate technology based learning directly into the traditional classroom teaching environment. In contrast to the community computer lab, where persons work individually at their own stations in planned and prescribed lessons using highly structured and organized software, this model is classroom based and group oriented.

What S.B.L.C. seeks by bringing computers directly into the classroom is to transform the computer from the somewhat formal, scripted, and static use that is embodied in the lab environment, into a creative and social tool of learning and problem solving. To realize this transformation, a critical difference between outcomes of using computers in the lab and in the classroom will lay in the uses to which the computers will be put.

For ABE/ GED students, the primary interaction in the computer lab presently is with LAN based interactive instructional software. Such software parallels the content which students study with teachers in their "board and book" based classes. Such software is highly organized and controlled, and categorized according to the five main content areas of the GED exams.

In contrast to this reliance on such instructional software, use of the computers in the classroom will be entirely Web based, using only Internet content to supplement traditional classroom teaching. The strategy driving this model has several key points:

- By using a dynamic source of information, such as the Internet offers, in contrast to a static one, such as software offers, computers in the classroom become a tool of active problem solving that can be easily incorporated into classroom activities.

- By integrating students' use of the World Wide Web into daily instruction, adult students will become practiced users of the Internet and World Wide Web (WWW).
- The profusion of multimedia lesson content presently available for little or no cost on the WWW allows an essentially limitless source from which to draw material to augment and illustrate more traditional, text based lesson content.
- The network's link to a dedicated direct digital connection to the Internet will allow students and teachers to effortlessly access web-based content on demand, thereby becoming as immediate as the textbook before them.

The social aspect of this transformation will be accomplished by the physical implementation of computers in the classroom. Each classroom, designed to accommodate an adult class of approximately 16-20 students, will be furnished with four workgroup areas, each area seating 4-5 persons. Each of these four workgroups will have a shared network computer on the tabletop for student use. Thus, by changing the student to computer ratio from 1:1 to 4:1, students are required to share a computer. In sharing a computer, students will teach each other, learn from shared mistakes, and solve problems as a team. With the addition of a fifth teacher's computer in each classroom, teachers will be able to quickly search and review web sites and content to change and adapt lesson plans as they develop with the class.

In practice, then, a teacher can prepare a daily lesson plan and select relevant web sites and content to augment and illustrate the essential lesson concepts. Simple lessons can thus be expanded and linked to countless practical applications of the root concepts which static sources of classroom media simply cannot offer. This might include a GED lesson on human biology linked to a family health website, a discussion of some aspect of current events linked to an Internet news site, or a geography lesson linked to nationalgeographic.com. Web based projects to support lesson concepts can also be introduced, wherein each team must conduct a web search to locate web sites and information relevant to the lesson concept.

Overall, the most important aspect of bringing computers directly into the classroom is the transformation of the computer into a malleable and dynamic tool of thinking and problem solving. In contrast to using computers in the lab environment, where interaction with computer software is largely responsive, students' interaction with computers in the classroom will be active and self-directed. The difference between these two distinct modes of computer based learning can be expressed as the difference between learning how to use a computer, and learning how to think with a computer.

Technology Program Evaluation

To determine the effectiveness of its technology based education programs, S.B.L.C. will monitor and evaluate several aspects of program performance. A primary measurement will be of learners' weekly contact with computer technology. S.B.L.C. will measure learners' contact with computers in the following ways:

- Number of enrolled learners per week using computer labs
- Number of non-enrolled community residents per week using computer labs
- Number of new ABE/ GED enrollees referred from community technology program
- Overall hours of usage per computer, per week.

In addition to measuring contact hours, S.B.L.C. will also evaluate learners' progress towards enhancing computer-based skills. For learners enrolled in adult basic education (ABE) or GED instruction who will use computers and receive general technology based training as an aspect of their overall GED instruction, instructors will evaluate and report learners' growth and development with computer and instructional software use and will record learners' weekly hours of use. As well, teachers will record their use of web based content that is integrated into classroom lesson plans.

For learners enrolled into technology based training programs, evaluation will be based upon enrolled learners' completion of training in specific areas of software use (i.e. Windows based computing, word processing, spreadsheet software, web browsers and search engines) and their proficiency in these areas. Learners who receive this specific technology training will also be tracked to measure job placement outcomes.

Upon completion of the community technology program's first year in winter 2003 a report of outcomes will be prepared and forwarded to program funders. Any other mid term updates required by program funders can also be provided upon request.

Technology Program Sustainability

Workforce development funding is rapidly becoming the keystone of program development across the non-profit human services spectrum. S.B.L.C.'s existing involvement in Workforce Investment Act (WIA) funding may therefore provide a link to further develop and sustain technology programs. Likely sources of funding may also include the Department of Education's Community Technology Centers grant program, as well as private foundations with specific program interests in addressing the digital divide issue. S.B.L.C.'s yearly E-rate funding is also expected to continue which will ensure the sustained maintenance of network systems and broadband Internet services. As well, certain of the community technology programs may themselves be a source of revenue in cases where a sliding scale training fee could be assessed to enrolled participants. In any case, the establishment of such a model community technology resource will itself be a powerful factor in leveraging subsequent program funds.

4. PRIOR TECHNOLOGY PLANNING & MANAGEMENT EXPERIENCE

S.B.L.C. has developed strategies for efficient management of its information technology. In a community based non-profit environment, existing resources must be maximized to successfully manage program technology so that the technology does not overwhelm the program. S.B.L.C. has offered integrated computer based learning as a part of its instructional program and has maintained a 25-user computer network for the past two years. These two years have been useful as a trial run for the larger community technology resource that S.B.L.C. now hopes to become. S.B.L.C. has gained direct experience in each of the areas critical to delivering a successful technology program including purchasing, implementation (both technical and programmatic), maintenance, troubleshooting, staff training, as well as resource and program development.

Existing Technology Resources

Current resources include 25 PC's, 16 of which comprise the student computer lab, which enrolled learners use for one to two hours per week as a part of their regular 6 hour per week class schedule. The other 9 PC's are distributed throughout S.B.L.C.'s program and administrative offices. The majority of these 25 stations are constituted from donated hardware that last received system upgrades in Summer 1998. During that upgrade, obsolete hardware donated from individuals and local businesses was raised to the then current Pentium MMX platform with the help of an \$8,000 technology grant from S.B.L.C.'s longtime program funder, the Maryland State Department of Education. In addition to these PC's, S.B.L.C.'s resources also include an Ethernet network comprised of a Pentium 3 file server, 10/100 network switches, a DSU router, and a Unix Web server to house the organization's web site.

The current technology plan calls for raising all PC stations to a Pentium 3 platform. Since the present hardware will not permit upgrades to the Pentium 3 level due to industry wide changes in system architecture, it is necessary to purchase new hardware components, which will serve program needs for at least the next three to five years. The existing network resources are of a current operating standard, and are complete, requiring no further upgrades or additions.

Funding Development

The most notable success that S.B.L.C. has so far realized with respect to technology funding is the program's inclusion in the federal E-Rate program, supported by a \$2.25 billion (FY2000) funding pool from the Federal Communications Commission (FCC). The E-Rate program provides discounts in telecommunications hardware and service costs to eligible K-12 education institutions. Discounts are awarded on a sliding scale from 50% to 90% based on the number of low-income students enrolled. As a provider of K-12 educational services to adults, S.B.L.C. meets the federal qualification guidelines for the E-Rate program. S.B.L.C.'s mission as an education provider to its low-income community makes the E-Rate program of particular value to the organization. With over 75% of S.B.L.C.'s enrollment earning at the very lowest levels, S.B.L.C. receives discounts of 90% on all computer network hardware/ software and Internet connection costs. These discounts make possible for S.B.L.C. options that would otherwise be far out of reach. These include:

- Installation of a full T-1 (1.5 mbps) direct connection to the Internet and monthly service at a cost of 10 cents on the dollar. Such a fast digital connection allows the Internet to become a viable instructional resource for teachers and students.
- Purchase of network hardware and software at 10 cents on the dollar allowing access to high quality hardware components as well as installation labor.
- 90% discounts on network service and support costs, allowing S.B.L.C. to purchase network service contracts from qualified agencies, thus relieving program staff of some of the technology management burden.
- Delivery of a total value to the project budget of over \$68,000 in the first year alone. These savings are noted in detail in the attached project budget.

Technical Support

As a further beneficial result of its access to federal "E-rate" funding, the technical support and management of network systems at S.B.L.C., which had been volunteer driven, is now provided for by a technical service contract with a local vendor at a 90% rate of discount on all service costs throughout the year. Such a service contract will allow for regular maintenance of data network systems by the appropriate engineers, thus relieving program personnel of the burden of managing network systems and providing support.

In addition to this support, S.B.L.C. has also developed strong volunteer support for its information technology infrastructure. An example of such support is S.B.L.C.'s relationship with a local software consulting firm, Lanwise Inc. During the course of this volunteer partnership, now in its third year, the sole proprietor of this local firm has donated volunteer technical support to S.B.L.C. and maintained a retainer agreement with the organization, providing management of information technology and special projects while billing no costs to the organization. Lanwise Inc. has donated an average of 12 hours per month to the organization at a total value of \$10,800 annually. Indeed, the National Points of Light Foundation honored this volunteer on January 26, 2000 as Daily Point of Light #1560 for his work with S.B.L.C.

Such strong volunteer involvement benefits the organization in two ways beyond the actual cash value of the donated service. First, the volunteer's professional affiliations put the organization in touch with other like-minded potential volunteers who can "pick up the baton" of volunteer support. Secondly, the volunteer serves as an excellent training resource for a designated member of the program staff who becomes the organization's point person for technology. This designated point person can then become an effective staff training resource in facilitating staff and teachers' adaptation to technology.

The forecast for both funded technical support and for continued volunteer support is good. The E-rate program, which presently funds S.B.L.C.'s network service contract, is expected to continue and prosper indefinitely and is enjoying support from the new Republican federal administration. As well, the City of Baltimore is presently realizing an unprecedented growth of jobs and investment in technology and Internet based businesses which comes as a result of local initiatives such as the "Digital Harbor", which seeks to transform Baltimore's economy from the industrial sector to the technology sector, and the creation of the Mayor's Technology Roundtable to organize and carry out this economic development. Such development provides a pool of knowledgeable potential volunteers with an interest in serving the community that is home to their businesses.

Staff Development

To ensure the greatest programmatic benefit from the planned technology resources, it is critical that program and instructional staff receive the proper support and training in applying these resources to instruction. S.B.L.C. plans to accomplish this with an in-service training agenda which will orient instructors to the technical requirements of computer based learning, but also to the instructional methods necessary to successfully incorporate computer based learning into the classroom.

As with the application of technology to the classroom, this training content is twofold. Instructors must be adequately prepared to respond technically to using

hardware and software in the classroom. Therefore, each instructor must receive basic training in understanding the operator's controls of the computer, but more importantly in the variety of software that is available for use in the classroom. Such software includes the computer operating system, application software including word processors or spreadsheets, specific instructional software packages, web browsers, and finally the data network operating system.

More critically, though, instructors must be adequately prepared to adapt the *content* delivered by computers and software into their daily teaching routines. Particular concentration must be provided in this area. Whereas basic training in hardware/ software consists of a series of finite skills to be learned, adapting technology to teaching requires a revisioning of the traditional concepts and boundaries of educating for its full creative potential to be realized. Therefore, teachers must work closely with program supervisors in developing procedures for effective introduction of software based, and especially web based lesson content. Thus, the supervisor functions as a guide to stimulate and shape the creativity that good teachers bring to the classroom, whatever the chosen medium of instruction might be.

In delivering other training content, S.B.L.C. relies upon a "train the trainer" method to accomplish effective staff development in technology related issues. Specifically, S.B.L.C. follows a model of investing formal technology training in its management level personnel, who then provide staff development to general administrative and instructional staff.

A primary source of training expertise comes from S.B.L.C.'s long term volunteer partner, Lanwise Inc., which trains staff in responding to general issues of technology infrastructure management. Another source of formal training also comes from hardware and software vendors who have provided technical support contracts to the organization. A final source of training comes from local and national technology conferences attended by management staff.

Whatever the source of training content, information and procedures are subsequently disseminated through the general staff through in-service trainings and on-call support. In this way, S.B.L.C. can present comprehensive staff development tailored to organizational needs and expectations within a limited staff development budget.

Administrative Technology

Successful management of S.B.L.C.'s programs and administrative procedures depends, in part, upon software based organizational structures. Therefore, an aspect of the community technology project plans for the availability of up to date hardware and software for purposes of program management, support, and development. These resources, used in conjunction with the program's data network, will ensure efficient management and flow of program data and communication.

5. IMPLEMENTATION TIMELINE

Implementation of most aspects of the technology program and its supporting infrastructure relies upon the execution and completion of the renovation of S.B.L.C.'s building at 28 East Ostend Street. At present, the renovation project is scheduled to

begin on or about July 1st, 2001. Construction will continue through the summer and fall and will be completed as of January 30, 2002. Given this timeline, physical implementation of technology can be divided into two stages.

Stage One implementation will include installation of the data network. Specifically, all data cabling to link end user stations to the LAN server must be installed while construction is underway. In this way, it is ensured that S.B.L.C.'s building will be truly "wired for the 21st century". Installation of the data network is therefore tentatively scheduled for fall 2001.

Stage Two will include installation of all end user PC stations and peripheral devices comprising the network. Installation of the 70 end user PC's will be scheduled to begin only after construction is complete. Therefore, the process of purchase and installation is scheduled to begin in early December, so that units can be delivered and installed throughout the second half of December 2001, allowing S.B.L.C. to launch its technology program with the start of its regularly scheduled Spring class semester on January 17, 2002.

All Stage One implementation costs including hardware, cabling, and installation labor will be covered by the E-rate program at a rate of 90% discount, which has already been granted in S.B.L.C.'s FY2001 application to the E-rate program. Should fundraising fall short of the full project budget during this upcoming twelve month period, installation of some aspects of the project can be delayed as the fundraising period is lengthened. For example, installation of one of the two planned computer labs could be delayed for a period of up to six months, without delaying the inauguration of the main technology program.

6. CONCLUSION

Though the South Baltimore Learning Center is a small community based non-profit provider of adult education services, it has gained substantial experience in administering and managing a program of educational technology. In response to its small, independent status, S.B.L.C. has developed efficient and fiscally conservative procedures and resources to successfully manage its technological programs and infrastructure.

With these management procedures firmly established, S.B.L.C. is planning a major expansion of its instructional technology resources to coincide with a complete renovation of its main building which houses all program and administrative areas. With this expansion of its technological resources completed, S.B.L.C. will be the first and only provider of community technology services established to serve the south and southwest regions of Baltimore City.

These resources will enable S.B.L.C. to extend its present use of instructional technology to new areas of teaching and learning such as web-based lesson content. These resources will further enable S.B.L.C. to offer new technology based programs including instruction in basic computing skills, productivity software, and Internet usage. These capabilities will ensure the viability of S.B.L.C.'s adult education programs for the future and will also ensure the success of S.B.L.C.'s learners as they move into the workforce.

7. PROJECT BUDGET

A. COMPUTER LEARNING LABS

Computer learning labs will be used by 1) community residents in accessing software skills instruction and the WWW for employment and personal development, and 2) enrolled learners in accessing computer based learning as part of regular adult basic education and GED instruction. Computer labs will be connected to the local area network and to the Internet via a T-1 direct connection joined to the LAN server.

COMPUTER LAB #1

Capacity: 12 networked PC stations

- Pentium 3, 128K RAM, CD-Rom, 10Gig HD, 17" Monitor,
10/ 100 NIC, keyboard, mouse, MS WIN98SE, Office 2000

12 lab stations	@	\$1,275.00	\$15,300.00	
1 network printer	@	\$650.00	\$650.00	
LAB #1 TOTAL			\$15,950.00	\$15,950.00

COMPUTER LAB #2

Capacity: 20 networked PC stations

- Pentium 3, 128K RAM, CD-Rom, 10Gig HD, 17" Monitor,
10/ 100 NIC, keyboard, mouse, MS WIN98SE, Office 2000

20 lab stations	@	\$1,275.00	\$25,500.00	
1 network printer	@	\$650.00	\$650.00	
LAB #2 TOTAL			\$26,150.00	\$26,150.00

B. CLASSROOM COMPUTERS

To integrate computer based learning into traditional classroom instruction at S.B.L.C., computers will be placed in classrooms to be used as an immediate tool of instruction. Each classroom will have four student computer stations as well as one teacher's station and printer. Each student computer will be located directly on a shared student work table. By ensuring such immediate access to technology, a computer can be integrated as a commonplace, everyday tool of instruction to augment daily "board and book" lessons.

CLASSROOM #1

Capacity: 5 networked PC stations

- Pentium 3, 128K RAM, CD-Rom, 10Gig HD, 17" Monitor,
10/ 100 NIC, keyboard, mouse, MS WIN98SE, Office 2000

5 Classroom stations	@	\$1,275.00	\$6,375.00	
1 network printer	@	\$650.00	\$650.00	
CLASSROOM #1 TOTAL			\$7,025.00	\$7,025.00

CLASSROOM #2

Capacity: 5 networked PC stations w. printer

CLASSROOM #2 TOTAL			\$7,025.00	\$7,025.00
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CLASSROOM #3

Capacity: 5 networked PC stations w. printer

CLASSROOM #3 TOTAL			\$7,025.00	\$7,025.00
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CLASSROOM #4

Capacity: 5 networked PC stations w. printer

CLASSROOM #4 TOTAL			\$7,025.00	\$7,025.00
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C. TUTORING ROOM COMPUTERS

Each of six private literacy tutoring rooms will be equipped with a student PC station for volunteer tutors and low literate adults to access instructional software and the Internet. Each networked computer will be connected to the Internet via a T-1 direct connection joined to the LAN server. Computers in tutoring rooms will access laser printers in the labs.

TUTORING ROOMS

Capacity: 6 networked PC stations

- Pentium 3, 128K RAM, CD-Rom, 10Gig HD, 17" Monitor, 10/ 100 NIC, keyboard, mouse, MS WIN2000, Office 2000

6 Tutoring room stations	@	\$1,275.00	\$7,650.00	\$7,650.00
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D. SPECIAL INSTRUCTIONAL TECHNOLOGY

Digital presentation equipment is included for presenting extracurricular content to complement the basic course and content of learning at S.B.L.C. These technologies bring great potential to the program in offering activities as diverse as supplementary content for a science or social studies lesson, a weekly DVD Film Series for students, or multimedia presentations for community forums.

Capacity: Multimedia presentation equipment

1 DVD laptop PC	@	\$2,000.00	\$2,000.00	
1 digital light projector	@	\$3,000.00	\$3,000.00	
1 digital camera	@	\$500.00	<u>\$500.00</u>	

TOTAL SPECIAL TECHNOLOGY			\$5,500.00	\$5,500.00
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E. PROGRAM SUPPORT AND ADMINISTRATION

Each of 12 program support and administrative stations will have a networked computer operating on the Pentium III platform and be linked to the Internet via the T-1 direct connection joined to the LAN server. Administrative computers will access centrally located network laser printers.

Capacity: 12 networked PC stations

- Pentium 3, 128K RAM, CD-Rom, 10Gig HD, 19" Monitor, 10/ 100 NIC, keyboard, mouse, MS WIN98SE, Office 2000

12 administrative stations	@	\$1,450.00	\$17,400.00	
2 network printers	@	\$1,450.00	\$2,900.00	
1 color printer	@	\$850.00	\$850.00	
1 color scanner	@	\$500.00	\$500.00	

ADMINISTRATIVE TOTAL			\$21,650.00	\$21,650.00
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F. NETWORK INFRASTRUCTURE

To link the 70 user stations outlined in the above areas and to link all PC stations to the Internet, a data network with 10/ 100 transmission capability will be necessary. A LAN server will anchor the planned 70 user Novell network and conduct all network traffic. 90% of all costs relating to network hardware, software, installation, and maintenance will be covered by S.B.L.C.'s inclusion in the E-rate program.

Capacity: Data network hardware/ software and infrastructure

TOTAL NETWORK			\$50,000.00
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E Rate Discount Total Value			-\$45,000.00
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Adjusted Network Hardware/ Software Total			\$5,000.00
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PROJECT GRAND TOTAL			\$110,000.00
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Exhibit D Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER

(Funding Year 4: 07/01/2001 - 06/30/2002)

September 4, 2001

SOUTH BALTIMORE LEARNING CENTER
Jim Fragomeni
28 EAST OSTEND ST
BALTIMORE, MD 21230

Re: Form 471 Application Number: 245858
Funding Year 4: 07/01/2001 - 06/30/2002
Billed Entity Number: 196460

Thank you for your 2001-2002 E-rate application and for any assistance you provided throughout our review. We have completed review of your Form 471. This letter is to advise you of our decision(s).

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. We have reviewed each Discount Funding Request on your Form 471 application and have assigned a Funding Request Number (FRN) to each Block 5. The enclosed report includes a list of the FRNs from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step to facilitate receipt of discounts as featured in this letter will be to file an FCC Form 486 with the SLD. The Form 486 notifies the SLD to begin payment to your service provider and provides certified indication that your technology plan(s) has been approved. The Form 486 and instructions can be found on the SLD web site at <www.sl.universalservice.org> or you can call the SLD Client Service Bureau at 1-888-203-8100 and ask that the form be sent to you. The new Form 486, dated July 2001 in the lower right corner, MUST be used for Funding Year 4 and for any previous funding years once it becomes available. Subsequent submissions of earlier versions of the Form 486 will be returned to you and will not be able to be processed. As you complete Form 486, you should also contact your service provider to verify they have received notice from the SLD of your funding commitments. After the SLD processes your Form 486, we can begin processing invoices from your service provider(s) so they can be reimbursed for discounted services they have provided you.

On December 21, 2000, the Children's Internet Protection Act was signed into law. That law will require schools and libraries that receive Universal Service discounts for certain services to adopt an Internet safety policy incorporating the use of filtering or blocking technology on computers with Internet access as a condition of receiving those discounts. THE LAW DOES NOT, HOWEVER, REQUIRE THIS TO BE IN PLACE FOR FUNDING YEAR 4. RECIPIENTS WILL HAVE TO CERTIFY, HOWEVER, THAT THEY ARE UNDERTAKING SUCH ACTIONS, INCLUDING NECESSARY PROCUREMENT PROCEDURES, TO PUT SUCH TECHNOLOGY PROTECTION MEASURES IN PLACE. For Funding Year 4 (the Funding Year beginning July 1, 2001), Billed Entities filing Form(s) 486 may encounter one or more situations that will affect their filing deadline(s). See the requirements for Funding Year 4 below and the Form 486

Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, New Jersey, 07981

Visit us online at: <http://www.sl.universalservice.org>

FUNDING COMMITMENT REPORT

Form 471 Application Number: 245858
 Funding Request Number: 596104 Funding Status: Funded
 Services Ordered: Internal Connections
 SPIN: 143005588 Service Provider Name: CDW Computer Centers, Inc.
 Contract Number: D066813
 Billing Account Number: 3953857
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 06/30/2002
 Site Identifier: 196460
 Pre-Discount Amount: \$4,400.00
 Discount Percentage Approved by the SLD: 90%
 Funding Commitment Decision: \$3,960.00 - FRN approved as submitted

Funding Request Number: 596469 Funding Status: Funded
 Services Ordered: Internal Connections
 SPIN: 143011962 Service Provider Name: TRG Networking
 Contract Number: MTM
 Billing Account Number: SOU-01
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 06/30/2002
 Site Identifier: 196460
 Pre-Discount Amount: \$10,800.00
 Discount Percentage Approved by the SLD: 90%
 Funding Commitment Decision: \$9,720.00 - FRN approved as submitted

Funding Request Number: 596897 Funding Status: Funded
 Services Ordered: Internal Connections
 SPIN: 143005273 Service Provider Name: Interconnect Services, Inc.
 Contract Number: MTM
 Billing Account Number: SBLC
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 06/30/2002
 Site Identifier: 196460
 Pre-Discount Amount: \$2,400.00
 Discount Percentage Approved by the SLD: 90%
 Funding Commitment Decision: \$2,160.00 - FRN approved as submitted

Funding Request Number: 596987 Funding Status: Funded
 Services Ordered: Internal Connections
 SPIN: 143001401 Service Provider Name: Verizon -Maryland, Inc.
 Contract Number: T
 Billing Account Number: 410-625-4215
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 06/30/2002
 Site Identifier: 196460
 Pre-Discount Amount: \$1,500.00
 Discount Percentage Approved by the SLD: 90%
 Funding Commitment Decision: \$1,350.00 - FRN approved as submitted

JOHNS HOPKINS
UNIVERSITY

Center for Technology in Education

*A Partnership of the Johns Hopkins University
and the Maryland State Department of Education*
School of Professional Studies
in Business and Education
5740 Alexander Bell Drive / Suite 302
Columbia MD 21046-2100
410-312-3800 / Fax 410-312-3868

Graduate Division of Education

July 22, 2004

Sonya Socha and Jim Fragomeni
South Baltimore Learning Center
28 East Ostend St.
Baltimore, MD. 21230

Dear Ms. Socha and Mr. Fragomeni:

I have reviewed FY 2000-2002 Educational Technology Plan for South Baltimore Learning Center and find that it satisfies all the criteria for unconditional approval for the Universal Service Program discount. The plan addresses the needs of your institution and provides the goals technology and telecommunications.

The service you provide is greatly appreciated in the Baltimore Community.

Sincerely,



Sarah McPherson, Ed.D.
Associate Director
Center for Technology in Education
Johns Hopkins University

South Baltimore Learning Ctr.
FY 2000 - FY 2002

ATTACHMENT A

CERTIFICATION OF TECHNOLOGY PLAN APPROVAL FOR SCHOOLS AND
LIBRARIES UNIVERSAL SERVICE PROGRAM

Johns Hopkins is certified by the Schools and Libraries Corporation to approve technology plans for participation in the Schools and Libraries Universal Service Program.

(School Name) has a technology plan that has met the standards and criteria outlined in the following checklist.

CHECKLIST

Successful technology plans align the overall education or library service improvement objectives with the following five criteria. To qualify as an approved Technology Plan for a Universal Service Program discount, the plan must meet these criteria. It is critical that technology planning not be viewed or treated as a separate exercise dealing primarily with hardware and telecommunications infrastructure. There must be strong connections between the proposed physical infrastructure of the information technology and the plan for professional development, curriculum reform, and library service improvements.

☒ The plan establishes clear goals and a realistic strategy for using telecommunications and information technology to improve education or library services.

☒ The plan has a professional development strategy to ensure that staff know how to use the new technologies to improve education or library services.

☒ The plan includes an assessment of the telecommunication services, hardware, software, and other services that will be needed to improve education or library services.

☒ The plan provides for a sufficient budget to acquire and maintain the hardware, software, professional development, and other services that will be needed to implement the strategy for improved education or library services.

☒ The plan includes an evaluation process that enables the school or library to monitor progress toward the specified goals and make mid-course corrections in response to new developments and opportunities as they arise.

approved by:
Sarah McPherson
Associate Director
Center for Technology in Ed.
Johns Hopkins University